

1 AN ACT concerning education.

2 WHEREAS, The General Assembly finds and recognizes that
3 there is a shortage of psychiatrists in designated shortage
4 areas within this State; therefore

5 **Be it enacted by the People of the State of Illinois,**
6 **represented in the General Assembly:**

7 Section 1. Short title. This Act may be cited as the
8 Psychiatry Practice Incentive Act.

9 Section 5. Purpose. The purpose of this Act is to establish
10 a program in the Department of Public Health to ensure access
11 to psychiatric health care services for all citizens of the
12 State, by establishing programs of grants, loans, and loan
13 forgiveness to recruit and retain psychiatric service
14 providers in designated areas of the State for physicians who
15 will agree to establish and maintain psychiatric practice in
16 areas of the State demonstrating the greatest need for more
17 psychiatric care. The program shall encourage licensed
18 psychiatrists to locate in areas where shortages exist and to
19 increase the total number of such physicians in the State.

20 Section 10. Definitions. In this Act, unless the context
21 otherwise requires:

1 "Department" means the Department of Public Health.

2 "Director" means the Director of Public Health.

3 "Designated shortage area" means an area designated by the
4 Director as a psychiatric or mental health physician shortage
5 area, as defined by the United States Department of Health and
6 Human Services or as further defined by the Department to
7 enable it to effectively fulfill the purpose stated in Section
8 5 of this Act. Such areas may include the following:

9 (1) an urban or rural area that is a rational area for
10 the delivery of health services;

11 (2) a population group; or

12 (3) a public or nonprofit private medical facility.

13 "Eligible medical student" means a person who meets all of
14 the following qualifications:

15 (1) He or she is an Illinois resident at the time of
16 application for assistance under the program established
17 by this Act.

18 (2) He or she is studying medicine in a medical school
19 located in Illinois.

20 (3) He or she exhibits financial need, as determined by
21 the Department.

22 (4) He or she agrees to practice full time in a
23 designated shortage area as a psychiatrist for one year for
24 each year that he or she receives assistance under this
25 Act.

26 "Medical facility" means a facility for the delivery of

1 health services. "Medical facility" includes a hospital, State
2 mental health institution, public health center, outpatient
3 medical facility, rehabilitation facility, long-term care
4 facility, federally-qualified health center, migrant health
5 center, a community health center, or a State correctional
6 institution.

7 "Psychiatric physician" means a person licensed to
8 practice medicine in all of its branches under the Medical
9 Practice Act of 1987 with board eligibility or certification in
10 the specialty of psychiatry, as defined by recognized standards
11 of professional medical practice.

12 "Psychiatric practice residency program" means a program
13 accredited by the Residency Review Committee for Psychiatry of
14 the Accreditation Council for Graduate Medical Education or the
15 American Osteopathic Association.

16 Section 15. Powers and duties of the Department. The
17 Department shall have all of the following powers and duties:

18 (1) To allocate funds to psychiatric practice
19 residency and child and adolescent fellowship programs
20 according to the following priorities:

21 (A) to increase the number of psychiatric
22 physicians in designated shortage areas;

23 (B) to increase the percentage of psychiatric
24 physicians establishing practice within the State upon
25 completion of residency;

1 (C) to increase the number of accredited
2 psychiatric practice residencies within the State; and

3 (D) to increase the percentage of psychiatric
4 practice physicians establishing practice within the
5 State upon completion of residency.

6 (2) To determine the procedures for the distribution of
7 the funds to psychiatric residency programs, including the
8 establishment of eligibility criteria in accordance with
9 the following guidelines:

10 (A) preference for programs that are to be
11 established at locations that exhibit potential for
12 extending psychiatric practice physician availability
13 to designated shortage areas;

14 (B) preference for programs that are located away
15 from communities in which medical schools are located;
16 and

17 (C) preference for programs located in hospitals
18 that have affiliation agreements with medical schools
19 located within the State.

20 In distributing such funds, the Department may also
21 consider as secondary criteria whether or not a psychiatric
22 practice residency program has (i) adequate courses of
23 instruction in the child and adolescent behavioral
24 disorder sciences; (ii) availability and systematic
25 utilization of opportunities for residents to gain
26 experience through local health departments, community

1 mental health centers, or other preventive or occupational
2 medical facilities; (iii) a continuing program of
3 community oriented research in such areas as risk factors
4 in community populations; (iv) sufficient mechanisms for
5 maintenance of quality training, such as peer review,
6 systematic progress reviews, referral system, and
7 maintenance of adequate records; and (v) an appropriate
8 course of instruction in societal, institutional, and
9 economic conditions affecting psychiatric practice.

10 (3) To receive and disburse federal funds in accordance
11 with the purpose stated in Section 5 of this Act.

12 (4) To enter into contracts or agreements with any
13 agency or department of this State or the United States to
14 carry out the provisions of this Act.

15 (5) To coordinate the psychiatric residency grants
16 program established under this Act with other student
17 assistance and residency programs administered by the
18 Department and the Board of Higher Education under the
19 Health Services Education Grants Act, including, but not be
20 limited to, the establishment of criteria, standards and
21 procedures that enable a person who has qualified and
22 received assistance under the Family Practice Residency
23 Act to receive credit under that Act for any additional
24 training in the specialty of psychiatry recognized under
25 this Act and who practices as a psychiatrist in a
26 designated shortage area. Creditable training and practice

1 under this Act shall be considered sufficient evidence in
2 meeting the service obligations under the Family Practice
3 Residency Act.

4 (6) To design and coordinate a study for the purpose of
5 assessing the characteristics of practice resulting from
6 the psychiatric practice residency programs including, but
7 not limited to, information regarding the nature and scope
8 of practices, location of practices, years of active
9 practice following completion of residency and other
10 information deemed necessary for the administration of
11 this Act.

12 (7) To establish a program, and the criteria for such
13 program, for the repayment of the educational loans of
14 physicians who agree to serve in designated shortage areas
15 for a specified period of time, no less than 3 years.
16 Payments under this program may be made for the principal,
17 interest, and related expenses of government and
18 commercial loans received by the individual for tuition
19 expenses and all other reasonable educational expenses
20 incurred by the individual. Payments made under this
21 provision are exempt from State income tax, as provided by
22 law.

23 (8) To require psychiatric practice residency programs
24 seeking grants under this Act to make application according
25 to procedures consistent with the priorities and
26 guidelines established in items (1) and (2) of this

1 Section.

2 (9) To adopt rules and regulations that are necessary
3 for the establishment and maintenance of the programs
4 required by this Act.

5 Section 20. Application requirement; ratio of State
6 support to local support. Residency programs seeking funds
7 under this Act must make application to the Department. The
8 application shall include evidence of local support for the
9 program, either in the form of funds, services, or other
10 resources. The ratio of State support to local support shall be
11 determined by the Department in a manner that is consistent
12 with the purposes of this Act, as set forth in Section 5 of
13 this Act. In establishing such ratio of State support to local
14 support, the Department may vary the amount of the required
15 local support depending upon the criticality of the need for
16 more professional health care services, the geographic
17 location, and the economic base of the designated shortage
18 area.

19 Section 25. Study participation. Residency programs
20 qualifying for grants under this Act shall participate in the
21 study required in item (6) of Section 15 of this Act.

22 Section 30. Illinois Administrative Procedure Act. The
23 Illinois Administrative Procedure Act is hereby expressly

1 adopted and incorporated herein as if all of the provisions of
2 such Act were included in this Act.

3 Section 35. Annual report. The Department shall annually
4 report to the General Assembly and the Governor the results and
5 progress of all programs established under this Act on or
6 before March 15.

7 The annual report to the General Assembly and the Governor
8 must include the impact of programs established under this Act
9 on the ability of designated shortage areas to attract and
10 retain physicians and other health care personnel. The report
11 shall include recommendations to improve that ability.

12 The requirement for reporting to the General Assembly shall
13 be satisfied by filing copies of the report with the Speaker,
14 the Minority Leader, and the Clerk of the House of
15 Representatives and the President, the Minority Leader and the
16 Secretary of the Senate and the Legislative Research Unit, as
17 required by Section 3.1 of the General Assembly Organization
18 Act, and by filing such additional copies with the State
19 Government Report Distribution Center for the General Assembly
20 as is required under paragraph (t) of Section 7 of the State
21 Library Act.

22 Section 40. Penalty for failure to fulfill obligation. Any
23 recipient of assistance under this Act who fails to fulfill his
24 or her obligation to practice full-time in a designated

1 shortage area as a psychiatrist for one year for each year that
2 he or she is a recipient of assistance shall pay to the
3 Department a sum equal to 3 times the amount of the assistance
4 provided for each year that the recipient fails to fulfill such
5 obligation. A recipient of assistance who fails to fulfill his
6 or her practice obligation shall have 30 days after the date on
7 which that failure begins to enter into a contract with the
8 Department that sets forth the manner in which that sum is
9 required to be paid. The amounts paid to the Department under
10 this Section shall be deposited into the Community Health
11 Center Care Fund and shall be used by the Department to improve
12 access to primary health care services as authorized by
13 subsection (a) of Section 2310-200 of the Department of Public
14 Health Powers and Duties Law of the Civil Administrative Code
15 of Illinois (20 ILCS 2310/2310-200).

16 The Department may transfer to the Illinois Finance
17 Authority, into an account outside of the State treasury,
18 moneys in the Community Health Center Care Fund as needed, but
19 not to exceed an amount established by rule by the Department
20 to establish a reserve or credit enhancement escrow account to
21 support a financing program or a loan or equipment leasing
22 program to provide moneys to support the purposes of subsection
23 (a) of Section 2310-200 of the Department of Public Health
24 Powers and Duties Law of the Civil Administrative Code of
25 Illinois (20 ILCS 2310/2310-200). The disposition of moneys at
26 the conclusion of any financing program under this Section

1 shall be determined by an interagency agreement.

2 Section 90. The Family Practice Residency Act is amended by
3 changing Section 10 as follows:

4 (110 ILCS 935/10) (from Ch. 144, par. 1460)

5 Sec. 10. (a) Scholarship recipients who fail to fulfill the
6 obligation described in subsection (d) of Section 3.07 of this
7 Act shall pay to the Department a sum equal to 3 times the
8 amount of the annual scholarship grant for each year the
9 recipient fails to fulfill such obligation. A scholarship
10 recipient who fails to fulfill the obligation described in
11 subsection (d) of Section 3.07 shall have 30 days from the date
12 on which that failure begins in which to enter into a contract
13 with the Department that sets forth the manner in which that
14 sum is required to be paid. If the contract is not entered into
15 within that 30 day period or if the contract is entered into
16 but the required payments are not made in the amounts and at
17 the times provided in the contract, the scholarship recipient
18 also shall be required to pay to the Department interest at the
19 rate of 9% per annum on the amount of that sum remaining due
20 and unpaid. The amounts paid to the Department under this
21 Section shall be deposited into the Community Health Center
22 Care Fund and shall be used by the Department to improve access
23 to primary health care services as authorized by subsection (a)
24 of Section 2310-200 of the Department of Public Health Powers

1 and Duties Law (20 ILCS 2310/2310-200).

2 (b) Any monetary penalties, including accumulated interest
3 fees, imposed under this Section after December 31, 1999 and
4 before the effective date of this amendatory Act of the 95th
5 General Assembly upon a scholarship recipient who has been
6 found by the Department to have failed to fulfill the
7 obligation set forth in subsection (d) of Section 3.07 of this
8 Act, but who has been practicing as a psychiatrist within a
9 Designated Shortage Area after December 31, 1999 and before the
10 effective date of this amendatory Act of the 95th General
11 Assembly, must be declared null and void by the Department, and
12 any payments made to the Department by the scholarship
13 recipient must be returned to that scholarship recipient within
14 a reasonable amount of time, as determined by the Department.

15 (c) The Department may transfer to the Illinois Finance
16 Authority, into an account outside the State treasury, moneys
17 in the Community Health Center Care Fund as needed, but not to
18 exceed an amount established, by rule, by the Department to
19 establish a reserve or credit enhancement escrow account to
20 support a financing program or a loan or equipment leasing
21 program to provide moneys to support the purposes of subsection
22 (a) of Section 2310-200 of the Department of Public Health
23 Powers and Duties Law (20 ILCS 2310/2310-200). The disposition
24 of moneys at the conclusion of any financing program under this
25 Section shall be determined by an interagency agreement.

26 (Source: P.A. 93-205, eff. 1-1-04.)